Prince [illegible]
Museum and Heritage Foundation

Annual Report

2001 - 2002

Historic Yeo House

MUSEUM & HERITAGE
PRINCE EDWARD ISLAND

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MUSEUM & HERITAGE
PRINCE EDWARD ISLAND

Board Members

April 2001—March 2002

- Andrew Robb, *Chair–to March 1, 2002*
- Doreen Sark, *Acting Chair–from March 2002*
- Rundell Seaman, *Vice-chair*
- C.W.J. Eliot, *Secretary*
- Don LeClair, *Treasurer*
- Éloi Arsenault
- Grace Blackette
- Isabel Court
- John Cousins
- Bruce Garrity
- Harry Holman
- Eldon Jamieson
- Ron MacNeill

MUSEUM & HERITAGE
PRINCE EDWARD ISLAND

Goals

The purpose of the museum is "to study, collect, preserve, interpret, and protect the human and natural heritage of Prince Edward Island."

Vision

Prince Edward Island is a community where heritage and culture are valued, where islanders and visitors understand, enjoy and embrace heritage.

Mission

As the custodian of Prince Edward Island's human and natural heritage, the museum will use resources and professionalism to work with individuals, communities and other partners to ensure the past is present in our lives.

Strategies

- The museum will be an exciting and informative place to explore the heritage of our unique community so that the future may benefit from the past.
- The museum will display and promote the beauty and drama in the diversity of Island history.
- The museum will provide a wide range of quality opportunities and ways by which all people can experience and appreciate the unique heritage of Prince Edward Island.

August 13, 2002

Honourable Gail Shea
Minister
Department of Community and Cultural Affairs
Charlottetown, PEI

Dear Minister:

I am pleased to submit the Annual Report of the Prince Edward Island Museum and Heritage Foundation for the fiscal year ending March 31, 2002, along with the Report of the Auditor General. The current chair of the Board of Governors, Mrs. Doreen Sark, asked me to prepare this letter of transmittal as her term began in the final month of the period covered in this report.

The 2001/2002 fiscal year was significant in terms of progress toward the achievement of goals outlined in the most recent Strategic Plan, most notably the development of an adequate facility for the housing, conservation and display of the provincial collection. This facility, to be known as the Island History Centre, was linked with the development of an Agricultural History Museum at our Orwell Corner site. Both the Orwell Corner Board and the PEI Museum Board saw the linking of these two goals as a crucial step forward. Transportation and Public Works began the process of land acquisition; and funding applications to the Canada Cultural Spaces program, as well as the Atlantic Canada Opportunities Agency, Human Resource Development Canada, and the Museum Assistance Program were prepared by museum staff.

The Museum and Heritage Foundation continues to be well served by a dedicated staff led by Executive Director Christopher Severance. In June 2001 our Business Administrator, Vernon Willis retired, as did Administrative Assistant Joan Coombs in March 2002. Other personnel changes are noted in the Executive Director's Report.

The next fiscal year promises to be one of making concrete the potential of 2001/2002. We look forward to collaborating with you in this important task.

Respectfully submitted,

Andrew Robb, Chair

Andrew Robb
Past Chair
PEI Museum and Heritage Foundation

Doreen Sark, Chair
Prince Edward Island Museum and Heritage Foundation
Beaconsfield Historic House
2 Kent Street
Charlottetown

Madame:

I am pleased to submit this report of the activities of the Prince Edward Island Museum and Heritage Foundation for the fiscal year ending March 31, 2002, along with the Report of the Auditor General.

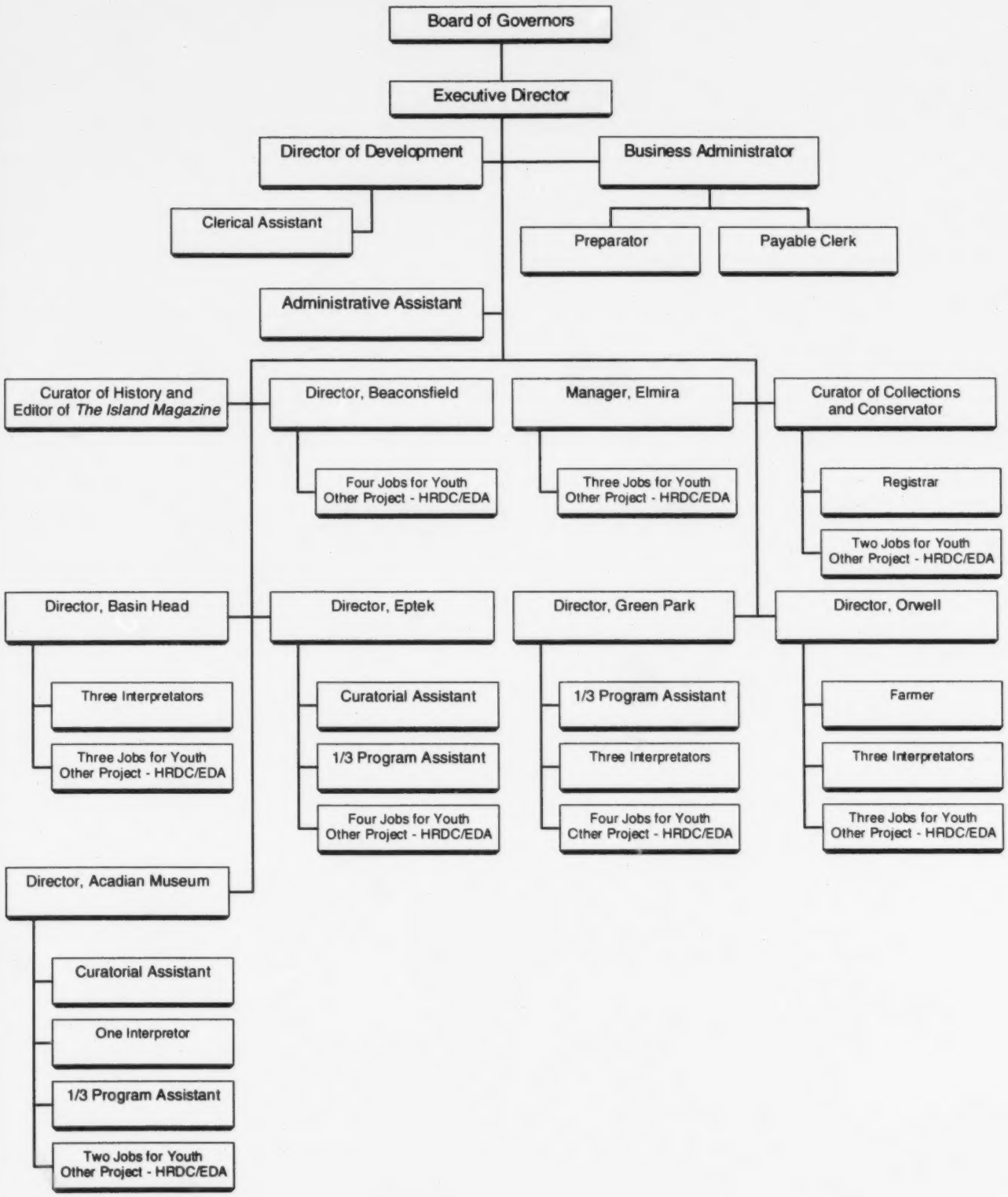
The PEI Museum continues to pursue directions contained in the Strategic Plan 1997– 2000. It has long been the museum's priority to find adequate housing and display space for the provincial collection. For the first time in many years, a Federal Budget included capital funding for cultural projects. At the same time, the Orwell Board completed their Historic Village Plan. Both boards and staff recognized the benefits of linking both projects at Orwell Corner Village. Application was made in September to the Canada Cultural Spaces for one-third funding, and approved in February. At the board's request Transportation and Public Works began the land assembly by purchasing the 20-acre Stanley/Lindsey property. The total project includes the **Island History Centre** and **Agricultural Heritage Museum**. Addition Federal support is expected from the Atlantic Canada Opportunities Agency (ACOA), Human Resources Development Canada (HRDC) and the Museum Assistance Program (MAP).

On a personal note, on September 30, 2001, I completed 10 years as your Executive Director. Working with successive boards, and a dedicated staff, your provincial museum is much altered; stronger and favourably placed to flourish in the first decade of the new millennium.

Respectfully submitted,

Christopher Severance
Executive Director

Organizational Chart



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Purpose

The museum's purpose is to study, collect, preserve, interpret, and protect the human and natural heritage of Prince Edward Island for the use, benefit and enjoyment of the people of the province. To guide its direction and priorities, the museum operates according to a five-year strategic plan first developed in 1996 and annually reviewed and adjusted for the museum as a whole and its components. *Goals are those areas where the museum is committed to achieving significant improvements as well as maintaining its current level of operation in other areas.*

This annual report outlines the current priority goals and provides the measures against which results may be compared. The museum wishes to be seen as:

- a vital aspect of Island society
- knowledgeable and caring interpreters of heritage
- a key component in the tourist industry
- involved with meaningful activities
- part of the community

The board has identified three areas for special emphasis:

1. The **collection** where we will collect and preserve material history significant to Prince Edward Island's heritage.

2. The **program** where we will make available Island heritage to residents and visitors, provided by our publication activities, extension service and the seven branch museums: Green Park Shipbuilding and Yeo House, The Acadian Museum, Eptek Art & Culture Centre, Beaconsfield Historic House, Orwell Corner Historic Village, Basin Head Fisheries Museum and Elmira Railway Museum.

3. **Advocacy** where we will promote appreciation and preservation of Island heritage, answer Islanders' expectations, and support the preservation of community heritage.

Human Resources

The museum is committed to the development if its employees. Training opportunities have been accessed through the Public Service Commission's Learning Centre, the University of Prince Edward Island and several professional and special interest organizations.

In June 2001, Business Administrator, Vernon Willis retired, and in March 2002 the Executive Director's Administrative Assistant, Joan Coombs took advantage of the Workforce Adjustment Program. Tom LeClair, the successful applicant for the position of Director of Orwell and Public Programme Officer, took up his duties in July. Cindy Bruce, a guide/interpreter at the Basin Head Fisheries Museum since 1975 indicated that 2001 was her last season. We welcome Anna Jean Dyment as a guide/interpreter at the Green Park Shipbuilding Museum. The Executive Director's contract was extended beyond January 31, 2001, and late in the year a new contract was signed and forewarded to Treasury Board for approval.

Nonie Fraser continues as Director of Eptek and works on special projects. Responsibility for Beaconsfield has been assigned to Lynanne Love as Acting Director. Julie Gilman, interim bilingual Programme Assistant was selected as acting Business Administrator. John Gillespie joined the staff in December as Preparator. At year end two positions, the Orwell Farm and bilingual programme Assistant, were "on hold."

The museum is fortunate to have a group of experienced seasonal casuals, several of whom have worked for the museum for more than 20 years. In addition the sites are dependent upon staff provided by Jobs for Youth, Employment Development Agency, Human Resource Development Projects, Industry Canada and Young Canada Works.

Endowment Trust

The Endowment Fund Trustees met on September 27 and approved the board recommendation of a contribution of $22,250 to support publishing, collections, *The Island Magazine* and maintenance of Beaconsfield. The trustees accepted responsibility for the Heritage Savings Fund. Trust income continues to exceed the board's annual financial request.

Trustees

Andrew Robb - *Chair of the Prince Edward Island Museum and Heritage Foundation*
Honourable Gerard Mitchell - *Chief Justice*
Honourable Pat Mella - *Provincial Treasurer*

Sale of Professional Service

We have, in the collections and talented staff resources which the museum markets to the public and private sectors. Curator of History and Exhibitions, Boyde Beck, has ongoing exhibition/interpretation projects for Fisheries and Oceans at Basin Head, the Central Development Corporation's Rustico Interpretation Centre, Provincial Parks at Brudenell, and the Souris Matthew - MacLean building. Curator of Collections and Conservator, Linda Berko, was part of the team that worked on the War Memorial Conservation Project for the City of Charlottetown and continues to provide services for the Department of Veterans Affairs, Wyatt Heritage Properties and the private sector **(See Conservation Services)**. *The Country Churchyards - Historic Churches of Prince Edward Island* by Boyde Beck, commissioned by the Department of Tourism, was published.

Heritage Activities

Jaynes Trust Action Committee
Doug Boylan, Chair; Don LeClair; Sherry Gillis; Robert MacNevin; Edward MacDonald; Faye Pound; and Joe MacLellan

The committee refined its criteria and saw the Museum By-laws approved by Executive Council with provision that the Board of Governors could borrow up to a maximum of $100,000 for the purpose of financing the museum's activity of "acquiring property of historical, architectural, natural or cultural interest in order to impose restrictive covenants protecting such interests." The purpose of the trust has been conveyed to members of the Prince Edward Island Real Estate Association.

Heritage Plaque Program

Since 1996 applications for plaques have levelled off to one or two per year. Of the 100 or more plaques now in place across the Island, most were mounted in the 1970s. This program could be reviewed when the province institutes a heritage marker for buildings listed under *Heritage Places Protection Act* regulations.

Heritage Awards

Heritage Award Committee Members:
Catherine Hennessey
Doreen Sark
Harry Holman
Diane Griffin
Eldon Jamieson

The Heritage Awards Program continues to be very well received. Recognition is given for publishing, writing, architectural preservation, genealogy, general activity of a heritage character and an Award of Honour.

2001 Heritage Award Recipients

- Arnold Smith for Sharpe House, Pleasant Valley
- Charlottetown Area Development Corporation and Capital Commission of PEI
- Charlottetown Driving Park for Judges' Stand, CDP
- City of Charlottetown for "The Soldiers" War Memorial
- City of Summerside and Wyatt Heritage Properties for 85 Spring Street
- David Webber
- Donna Collings
- Farmers' Bank of Rustico
- Faye Pound
- Fred MacDonald for *The Maritime Tradition - Around the Oval*
- George Dalton
- George Doughart for *The Pattern Set For Us*
- Howard Clark
- Kathleen and Russell Rogers for Holman House
- Kent Stetson
- Kerras Jeffery
- Merrill and Martha Weale for Summerhaven, Fairfield and Wyndham Houses
- Nimbus Publishing and The Old PEI Railway Inc
- Peter and Beverly McQuillan for The Road House, Vernon River
- Reverend Art O'Shea
- St. Simon and St. Jude Church, Tignish
- Tourism Industry Association of Prince Edward Island and Dutch Thompson
- Town of Souris for Matthew & MacLean Building
- Wayne Wright and Katherine Dewar for *This Caring Place*

His Honour J. Leonce Bernard, recipient of the PEI Museum and Heritage Award of Honour, with David Webber at the Heritage Awards Night (September 2001), Eptek Art & Culture Centre, Summerside.

Goals

The Collection

After nearly 10 years, and several false starts and blind alleys, the board can now see the resolution of its top priority—a replacement for the collection storage facility by building a new 25,000 square foot **Island History Centre** at Orwell Corner. Construction is expected to begin in the fall of 2002, with completion in the spring of 2004. Staff are planning the transfer of the collection from the Artifactory, and as a first essential step an updated Collections Management Plan is being prepared for board consideration. A collection review is also necessary. Each of the more than 70,000 objects should be reconsidered from the aspect of its pertinence to the Island's heritage and the object's condition. Having acknowledged this objective, a review would require additional funding to purchase both the time and the expertise not available from either the museum's *status quo* budget or our hard-pressed staff. Unfortunately we remain unable to fill the contract position of assistant registrar. Integration of the management of the Acadian Museum's collection has not occurred.

Conservation Services

Established in 1998, with one-third startup funding from the Museum Assistance Program (MAP), the sale of conservation services was designed to generate sufficient funds to cover part of the cost. Service has been well received and is meeting revenue objectives. Of even more significance is the fact that a qualified conservator is available to the provincial collection.

In the near future conservation services offered to the public and private sectors will be greatly enhanced with the construction of state-of-the-art conservation laboratories within the new **Island History Centre** at Orwell Corner.

Economic Development

The past year has been both eventful and exciting. The month of February featured Solicitor General Lawrence MacAulay's $1,200,000 funding announcement for Orwell Corner's Island History Centre and Agricultural Museum, two projects valued at $4,000,000.

In addition to that announcement, final touches are being made to the Miniature Railway project for Elmira and plans are underway for major structural changes and additions to Basin Head.

We continue to implement our branding of the concept The Stories of Prince Edward Island. New signage has been partially implemented across the system and is expected to be completed in the upcoming fiscal year. It is intended that this will bring a degree of cohesion and unity to the museum's seven diverse sites. Our new brochure is complete and will be in place for several years.

General membership has increased slightly with corporate membership remaining strong.

Milestones

The museum saw the retirements of Vernon Willis, Business Administrator since 1988; Joan Coombs, Administrative Assistant since 1995; and guide, Cindy Bruce after 22 seasons at Basin Head. Board and staff were saddened by the passing of former board member Michael Kohler. We also acknowledge the loss to Orwell Corner of staunch supporter, Ernest Taylor. Respected heritage advocate Ruth VanIderstein MacLeod's 90th birthday was celebrated at Orwell by staff and many friends.

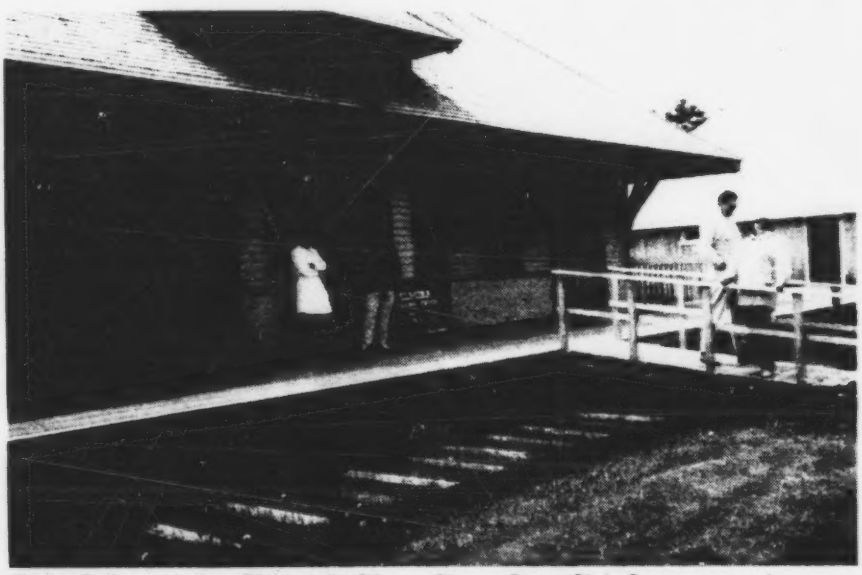
The Sites

Elmira Railway Museum

We had an interesting year, with high expectations for the set up of our model railway. Unfortunately, this was not accomplished and the season got off to a slow start. There were no school tours or trail events in June.

Boxes of trains and accompanying accessories, along with resource binders and books were unpacked and the Friends of Elmira held a grand opening of the new Train Building, canteen and amenities. With Minister MacAulay in attendance, the Ice Cream Social was a success.

Visitors were down from summer 2000, but revenue was up thanks to the canteen. The Women's Institute Bike Tour brought Islanders in September. Planning by the Friends began to build a miniature railway on site.



Elmira Railway—Left to Right: Julie Gilman, Sharon Rose, Chris Severance and Doreen Sark.

Green Park Shipbuilding Museum and Historic Yeo House

Opened to the public May 21 to September 28, overall attendance for these four months was 9,589, an increase over 2000 due to the Scout Jamboree 2001.

There were nine Tuesday Evening *Kitchen Chatter;* four *Sea Shanties,* seafaring songs sung by *The Men of The Shore* and four *Ghost Story Evenings* with story-teller Doris MacLean. All were well attended. Two *Concerts on The Green* were held, with local entertainers. A children's program, *Look Back and Learn,* had a successful year.

There were four special events. Canada Day was enjoyed by over 400 people; The Seniors' Day Garden Party, held on July 15; Kids' Day, was attended by 350 children and adults; and the 24th annual Blueberry Festival on August 19. Sylvia Winn was honoured for 25 years of service with Museum and Heritage PEI.

Acadian Museum

The Acadian Museum aims to fulfil its mandate of conserving and transmitting Island Acadian heritage. Three exhibits were on display during the year: the traveling exhibit *A Star has told me... the Story of the Island's Acadie,* Works by the Artist Alma Buote (1894-1966) and *Poetic Nature,* artworks by Lucie Bellemare of the Evangeline Region. A virtual exhibit was also launched on October 31, 2001. Produced with a grant from Industry Canada, this virtual exhibit titled *L'Acadie de l'Île à découvrir* presents today's historical sites and cultural events of Island Acadian regions as well as archival photos and documents. The exhibit also includes a chronology of Island Acadian history from 1534 to 2001 and can be visited at

www.teleco.org/museeacadien/francais/acadiedelile.

Several events were highlights. The 6th annual *Festival Folk-Acadie* was held July to August. On August 19, 2001, a plaque displaying the new French version of the Acadian national anthem, *Ave Maris Stella,* was unveiled by the Lieutenant-Governor and by Jacinthe Laforest, author of the French words. On the same occasion, J.-Henri Gaudet, of Tignish, made an important donation of works by the artist Alma Buote of Tignish. Another valuable donation received during the year was the sculpture *Acadiens* made in 1908 by the famous Québécois sculptor Louis-Philippe Hébert. During the year, 880 students visited the Acadian Museum.

The Centre for Acadian Research revised its archival fonds descriptions thanks to a project of $11, 700 from the Canadian Archival Information Network (CAIN). These fonds descriptions will be available on the CAIN Web site at *www.cain-rcia.ca*.

Beaconsfield Historic House

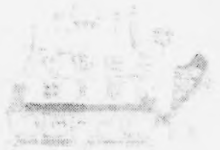
The final phase of the Beaconsfield Millennial Project included the restoration work in the kitchen, scullery and servants' area and the painting of the exterior of the house. The official celebration of the completion of this two-year project took place on September 19, 2001. Visitors to Beaconsfield are very complimentary of the color schemes and wallpaper patterns—and the addition of the kitchen/servants' wing gives a more complete interpretation of the house.

Official Re-opening of Beaconsfield Historic House (September 2001) by Capital Campaign Committee co-chairs, Paul H. Schurman and Rundell Seaman.

Programming at Beaconsfield included the summer Children's Festival; weekly performances of *A Rowboat in the Attic* during July, August and September; the Christmas school program; the January Architectural Lecture Series; and the Island Lecture Series during March and April. Annual events included the Victoria Day Celebration, the summer Garden Party, Christmas Open House and the Heritage Week Tea and Tours.

Other special events included an evening of folklore, legends and ghost stories in October; a Christmas decorating demonstration in November; a storytelling evening in December; and a special presentation of *A Feast of Stephen - A Musical Tribute to Stephen Leacock* in February.

With support from TIAPEI and the Extended Season Project, Beaconsfield was open daily from Victoria Day in May until the end of the first week in November. The house operated on restricted hours during the winter and spring months with arrangements made for special appointments and group and school tours.



Orwell Corner Historic Village

Our first season of operation after the untimely death of Wendell Boyle was a challenging, and at times very difficult one. However, thanks to a joint effort by staff, both at Orwell and Beaconsfield, and members of the Orwell Board, we did hold our own, both in visitation and revenue, in a year which saw a general decline in the tourism industry.

Plans are well underway for the further development of Orwell. This process is very exciting as we look forward to the tremendous opportunities for partnering, programming, job creation and economic development which will be available with the completion of this project.

We remain confident that this project, when completed in the spring of 2004, will fulfil its original vision of positioning Orwell as a major contributor to many facets of life in the Southern Kings and Queens region of PEI.

Basin Head Fisheries Museum

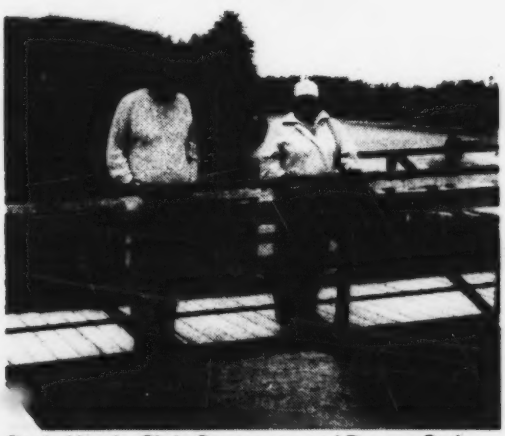
The site enjoyed an interesting season. One of the main points of interest was the official opening of two exhibits, The *World According to Fabian "Foncy" Deagle* and *Treasures of Bygone Days,* helping to bring community life into the museum. The exhibits drew great interest from Islanders and visitors.

A full schedule of programming and events took place throughout the season beginning with Canada Day. Other events included tole-painting, art and child craft workshops. The annual kite demonstration took place and we introduced a

rug hooking demonstration. In August and September, weekly Share History talks covered a wide range of topics and speakers from across the Island. Numbers were down slightly from last year, but we did well.

One of the most significant achievements during 2001 were improvements made to the Cannery. Funding was acquired through the Department of Fisheries and Oceans and the department's interest in the Basin Head Lagoon Ecosystem Conservation Committee. The old aquariums were replaced with new fibreglass tanks along with the original touch tank being reinstalled. A lab was also built to accommodate marine research studies within the Basin Head Lagoon on its rare free-floating Irish Moss. The building will also house new educational panels explaining the Lagoon and surrounding area. Future renovations are planned for the second phase of the project.

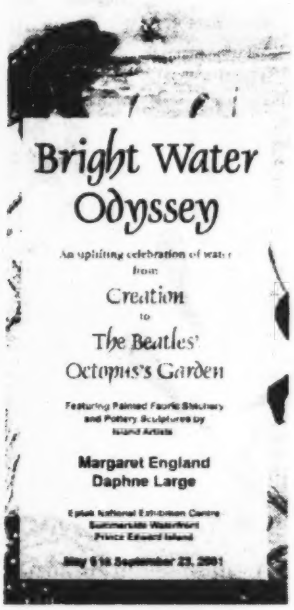
The Basin Head Board, with the assistance of Don Larkin of Community Living, is committed to acquiring information and funding to replace the boat sheds and gift shop along with alterations to the museum.



Basin Head—Chris Severance and Doreen Sark.

Eptek Art & Culture Centre

The Eptek Art & Culture Centre, along with its sister sites, tells stories. Eptek's stories are about art, craft and people, yesterdays and todays. The art may be contemporary, as seen in the exhibitions *Bright Water Odyssey* and the *Island Fibre Art Exhibition*, or it can be historical as witnessed in the work by amateur photographers At Home with Millie Gamble and The Visual Imagination of Lucy Maud Montgomery.



George Ackermann's 19th-century botanical prints and early watercolours captured heritage. Spanning today and yesterday, Bessie Dumville's wedding gown creations reflect more than 40 years as a seamstress in O'Leary.

The Gallery Gift Shop placed more emphasis on Island arts and crafts. It offered service to the public and gave a venue to artists and artisans in which to showcase their work.

Special thanks are extended to The Friends of Eptek Centre executive for their fundraising efforts and program assistance.

Visitation

Attendance 2001 - 2002

Branch Museum	2000	2001	Percent
Elmira	5,640	4,789	- 16%
Basin Head	15,631	13,398	- 14%
Orwell	17,728	11,598	- 35%
Beaconsfield	7,528	9,406	+ 25%
Eptek	12,453	12,972	+ 4%
Acadian Museum	7,759	7,013	- 10%
Shipbuilding Museum	9,233	9,673	+ 5%
Total	75,972	68,849	- 9%

Exhibitions and Programs

The *Museum Act* mandates the museum to "...study, collect, preserve, interpret and protect the human and natural heritage of Prince Edward Island..." The natural history mandate has not been pursued, because financial resources have never been sufficient to "open a second front."

The museum continues to encourage cultural awareness and heritage knowledge by means of diverse exhibitions and public programs. Of note was Eptek's *Bright Water Odyssey* and *Island Fibre Art Exhibition* and the Acadian Museum's *A Star Told Me...The Story of The Island's Acadie*, produced by the Fédération culturelle de l'Île-du-Prince-Édouard. Each of the seven museums has a full program of public presentations. In addition, we partner with the Institute of Island Studies in the popular Island Lecture Series. Last year's popular exhibition at the Acadian Museum, *The World According to Fabian (Foncy) Deagle*, was installed in Basin Head's Changing Exhibition Gallery.

Exhibition and Programs, including special events such as Green Park's Blueberry Social, are central to building and sustaining visitation.

The PEI Museum joined with the Newfoundland Museum, New Brunswick Museum and the Art Gallery of Nova Scotia in a national travelling exhibition titled, *Lifelines* on the fishing culture of Eastern Canada. The exhibition opened in April 2001 and continued at the Museum of Civilization in Hull until February 2002. The Canadian Museums Association's 2001 Award for Exhibitions was presented to the Lifelines exhibition team, which includes Boyde Beck, Curator of History for the PEI Museum. The museum's portion of *Lifelines, A Lobster Tale*, will be exhibited at Basin Head during the summer of 2002, before it tours the country.

Canada National Historical Society provided a grant for a series of History Writing Workshops. Held across the Island, they were well received.

Exhibits/History/Publications

A busy year for exhibitions, with an even busier one in the offing. The *Lifelines* exhibit at the Canadian Museum of Civilization (including our component *A Lobster Tale: The Lobster Fishery of PEI*) closed in February after a 10-month run. Attendance and visitor response exceeded expectations, with a final figure of more than 190,000 visitors. The project participants also received high praise from their peers when it was presented with a Canadian Museum Association Award of Excellence. *A Lobster Tale* is currently installed at Basin Head. Two smaller scale exhibits—*The Photography of Millie Gamble* and *Country Doctors*—were also created and installed at Eptek and Basin Head.

Publishing this past year concentrated on shepherding issues # 50 and 51 of *The Island Magazine* through production and launching a booklet on historic churches—*Country Churchyards*—created with the financial assistance of the Department of Tourism.

Government House Committee

The committee consisted of: His Honour Lieutenant-Governor J. Léonce Bernard; C.W.J. Eliot, David Webber, Harriet Meacher, Canon Robert Tuck, Kevin Rice, Scott Stewart, Sharon Moyse, plus staff Marilyn Thomsen, Wayne Peters, and later Kent Smith. There is one standing committee—The Garden Committee, Chaired by Ken MacDonald. The committee held 11 meetings, two joint meetings with the Garden Committee and many sub-committee meetings.

Major projects included the installation of the new heating system, redecoration of the State Dining Room, the installation of pot lights in the ceiling for lighting the table area and re-papering of the Queen's Bedroom. The new set of Bed Steps for the Queen's Bed was built, adorned by the handiwork of Florence Deacon, who designed and created a tapestry piece for the three steps.

The East entrance carpet was lifted: the hallway hardwood floor was refinished and ceramic tile installed in the entryway. The humidity levels in Government House are monitored. We recognized that the Interior and Exterior Committees and the committee responsible for the furnishings and paintings had project "wish lists." These were given to a new Priorities Committee, who will maintain an up-to-date list of proposed repairs, refurbishing and redecorating tasks. David Webber produced an Interior Design Scheme for the Public Rooms.

The summer of 2002 will see the inauguration of guided tours. Bilingual guides will be hired to conduct tours five days a week during July and August. This project gave rise to discussions of the proposed Guard House. The building, which would fit into the historical setting, would serve as an interpretive centre and a gathering place for tours.

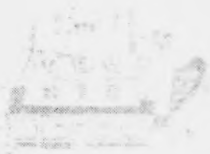
Concern was raised when it became known a section of Victoria Park was being considered for the skate board park. Dr. Eliot and David Webber met with Mayor George MacDonald to express our concerns, and a letter was sent to the mayor's office requesting that this portion of Victoria Park be declared a buffer zone, thus ensuring it, not be open to any further change or development. The request was met favourably, and has been passed on to the city's Heritage Board for consideration.

The Archival Committee is working to compile minutes and photographs relevant to Government House. Discussions are continuing re: desirable signage for the three stones marking the meridional line established in 1809 for surveying "in this colony." The Garden Committee received approval for a three to four year plan for a new rose garden, and a new garden for the east driveway loop. The committee wishes to note its indebtedness to His Honour, the Lieutenant Governor and to Transportation and Public Works Minister Don MacKinnon for their continued support.

Canadian Museums Association Conference 2002—Award for Outstanding Achievement is presented to the Prince Edward Island Museum and Heritage Foundation's Millennial Gift Committee.

Institute of Architectural Studies and Conservation

This third report of the institute covers the period from the autumn of 2001 to the end of July 2002, during which time the Board of Directors held monthly meetings, except in July, under the Chairmanship of James Macnutt, who was elected to the board, together with Robert Tuck, Vice-Chair; Todd Saunders, Secretary; Margot Thompson, Treasurer; Alain Cunningham; Jean Riordon; C.W.J. Eliot; and Arnold Smith at the institute's second annual meeting in November, 2001, at which time Mr. Kevin Murphy spoke on the restoration of the Gahan House, and the economic and heritage issues associated with such a project. Mr. Murphy was generous of his time in response to the many questions from the audience, and was thanked by the chair for his valuable contribution to the meeting, which also included a short memorial to the late Michael Kohler, an original member of the institute's board and in whose place the board elected Howard Coles to represent professional architects.



Most of the board's discussions concerned the subjects of public lectures and associated publications, matters calling for statements of advocacy from the institute, the project announced in last year's report—An Inventory (and Publication) of the Architecture Identified and Valued as Significant by the Community,—and a new project concerned with a program of Island tours. The popular series of four lectures on the general theme of Understanding Island Architecture was continued in January 2002 with presentations by Reginald Porter on Andrew Jackson Downing and the origin of rural romantic architecture on PEI, Allan Rankin on the preservation and restoration of the Wyatt-Lafurgey properties in Summerside; Maurice Roy on the history and conservation of his home at 40-42 Hillsborough Street; and Robert Tuck on the building and decoration of a National Historic Monument–All Souls Chapel. All the lectures were well attended, particularly the first, and those of Messrs. Porter, Roy and Tuck were repeated at Summerside to appreciative gatherings at Eptek Centre. The plan to publish the lectures given in these series is still being pursued, and two more pamphlets have appeared this year, Isaac Smith and the Building of Province House by C.W.J. Eliot, and Edward Sterling Blanchard, 1886-1953, the Georgian Style Revisited by James Macnutt. Plans for next year's series have already been determined, and the lecturer

at all four will be Reginald Porter on the subject of The Architectural heritage of PEI. It is our hope that a text of this series will be made available to the public in 2003.

The policy on advocacy approved last year has guided the chair and his colleagues in issuing the opinion of the board with respect to the strong need to preserve the building on Great George Street know as the Bishop's Palace, and a similar need in Summerside to preserve the Court House of Prince County. In both cases the buildings are important landmarks and fully deserve to have their exterior appearances kept unscathed for future time. The particulars of their use are different matters. We have also thought long about the future of the experimental farm. In the best of worlds we believe that all of it should be preserved for public use and enjoyment. We are of course aware that the restoration of the park around the home of the Honourable Mr. Pope may in the end be impossible, but we think it better to ask for what would best adorn the city of Charlottetown and preserve our Georgian and Victorian heritage than support a lesser, more limited plan even is said to be more likely to win political acceptance.

Finally a word on the two projects being considered by the board. A pilot tour of some of the Island highlights between Charlottetown and Summerside is being planned for this autumn and the details will be announced in early September. If the pilot is judged a success, other tours will follow. The project to create and publish an inventory of the Island's significant architecture is still fully supported by the board, but the difficulties noted in the last report still remain, above all the need for funds to support the infrastructure that the project demands. The chair is making every effort to interest the Federal and Provincial governments in our proposal so that he can then approach private foundations.

AUDITOR GENERAL

CHARLOTTETOWN
PRINCE EDWARD ISLAND

PRINCE EDWARD ISLAND

MUSEUM AND HERITAGE FOUNDATION

FINANCIAL STATEMENTS

MARCH 31, 2002

AUDITOR GENERAL

CHARLOTTETOWN
PRINCE EDWARD ISLAND

AUDITOR'S REPORT

To The Board of Governors of the
Prince Edward Island Museum and Heritage Foundation

I have audited the balance sheet of the Prince Edward Island Museum and Heritage Foundation as at March 31, 2002 and the statements of operations and changes in fund balances, and cash flows for the year then ended. These financial statements are the responsibility of the Foundation's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Foundation as at March 31, 2002 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

J. Wayne Murphy, FCA
Auditor General

Charlottetown, Prince Edward Island
June 20, 2002

STATEMENT 1

PRINCE EDWARD ISLAND MUSEUM AND HERITAGE FOUNDATION
BALANCE SHEET
AS AT MARCH 31, 2002

	Operating Fund	Jaynes Trust Fund	Endowment Trust Fund	Orwell Trust Fund	Publishing Trust Fund	2002 Total	2001 Total
ASSETS							
Current							
Cash	$ 98,815	$ 21,264	$ 15,472	$ -	$11,125	$146,676	$130,725
Accounts Receivable							
- General	22,724	-	1,675	301	-	24,700	34,772
- Province of PEI	-	-	-	-	-	-	3,750
Amounts Due Between Funds - (Note 9)	1,871	-	(22,054)	255	19,928	-	-
Inventory - (Notes 2 & 5)	93,701	-	-	-	-	93,701	90,020
	217,111	21,264	(4,907)	556	31,053	265,077	259,267
Long Term							
Investments (Notes 2 & 10)	12	88,225	418,987	17,210	-	524,434	507,839
Land, Buildings and Equipment (Notes 2 & 7)	54,721	-	-	-	-	54,721	64,095
Artifacts (Note 2)	1	-	-	-	-	1	1
	54,734	88,225	418,987	17,210	-	579,156	571,935
	$271,845	$109,489	$414,080	$17,766	$31,053	$844,233	$831,202
LIABILITIES AND FUND BALANCES							
Current							
Accounts Payable							
- General	$ 30,636	$ -	$ -	$ -	$ -	$ 30,636	$ 61,023
- Province of PEI	94,811	-	-	-	-	94,811	77,254
Deferred revenue	33,633	-	-	-	-	33,633	45,792
	159,080	-	-	-	-	159,080	184,069
Fund Balances - Statement 2							
Invested in Capital Assets	54,722	-	-	-	-	54,722	64,096
Externally Restricted (Note 4)	-	109,489	414,080	-	-	523,569	516,124
Internally Restricted	-	-	-	17,766	31,053	48,819	46,768
Unrestricted	58,043	-	-	-	-	58,043	20,145
	112,765	109,489	414,080	17,766	31,053	685,153	647,133
	$271,845	$109,489	$414,080	$17,766	$31,053	$844,233	$831,202

(The accompanying notes are an integral part of these financial statements.)

SIGNED ON BEHALF OF THE BOARD:

DIRECTOR: _____

DIRECTOR: _____

STATEMENT 2

PRINCE EDWARD ISLAND MUSEUM AND HERITAGE FOUNDATION
STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED MARCH 31, 2002

	Operating Fund	Jaynes Trust Fund	Endowment Trust Fund	Orwell Trust Fund	Publishing Trust Fund	2002 Total	2001 Total
REVENUE							
Provincial Grants (Note 6)	$ 769,230	$ -	$ -	$ -	$ -	$ 769,230	$ 800,924
Federal Grants (Note 11)	119,874	-	-	-	-	119,874	121,525
Memberships and Donations	49,008	-	157	-	-	49,165	211,745
Admissions and House Events	154,972	-	-	-	-	154,972	156,592
Publishing Sales	34,489	-	-	-	-	34,489	84,889
Investment Income	979	5,254	24,284	788	1,263	32,568	38,164
Other	95,758	-	-	-	-	95,758	104,385
	1,224,310	5,254	24,441	788	1,263	1,256,056	1,518,224
EXPENDITURE							
Artifact Collection and Equipment	7,805	-	-	-	-	7,805	5,712
Amortization	9,374	-	-	-	-	9,374	11,614
Federal Projects (Note 11)	103,036	-	-	-	-	103,036	113,637
Insurance, Taxes and Interest	18,897	-	-	-	-	18,897	19,028
Office and General	117,047	-	-	-	-	117,047	122,922
Public Programme	33,178	-	-	-	-	33,178	62,206
Publishing	2,414	-	13,000	-	-	15,414	54,500
Repairs and Maintenance	40,373	-	7,000	-	-	47,373	114,643
Travel	10,564	-	-	-	-	10,564	6,781
Utilities	56,594	-	-	-	-	56,594	55,941
Wages and Employee Benefits (Note 8)	798,754	-	-	-	-	798,754	800,894
	1,198,036	-	20,000	-	-	1,218,036	1,367,878
Net Income (Loss) for the Year	26,274	5,254	4,441	788	1,263	38,020	150,346
Fund Balance, Beginning of Year	84,241	104,235	411,889	16,978	29,790	647,133	496,787
Transfer Between Funds	2,250	-	(2,250)	-	-	-	-
Fund Balance, End of Year	$ 112,765	$109,489	$414,080	$17,766	$31,053	$ 685,153	$ 647,133

(The accompanying notes are an integral part of these financial statements.)

PRINCE EDWARD ISLAND MUSEUM AND HERITAGE FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2002

	Operating Fund	Jaynes Trust Fund	Endowment Trust Fund	Orwell Trust Fund	Publishing Trust Fund	Total 2002	Total 2001
SOURCES OF CASH							
Provincial Grants	$ 772,980	$ -	$ -	$ -	$ -	$ 772,980	$ 827,079
Federal Grants	105,610	-	-	-	-	105,610	147,154
Memberships and Donations	49,293	-	157	-	-	49,450	212,537
Operating Activities	296,531	-	-	-	-	296,531	344,545
Investment Income	979	5,253	24,190	1,278	514	32,214	38,075
	1,225,393	5,253	24,347	1,278	514	1,256,785	1,569,390
USES OF CASH							
Investment (Increase) Decrease	5	(4,976)	(15,381)	(1,278)	5,014	(16,616)	(87,090)
Inventory Increase	(3,681)	-	-	-	-	(3,681)	(37,610)
Salaries	(781,198)	-	-	-	-	(781,198)	(841,929)
Other Operating Costs	(439,339)	-	-	-	-	(439,339)	(539,026)
	(1,224,213)	(4,976)	(15,381)	(1,278)	5,014	(1,240,834)	(1,505,655)
Cash from Operations and Investment	1,180	277	8,966	-	5,528	15,951	63,735
Balance, Beginning of Year	97,635	20,987	6,506	-	5,597	130,725	66,990
Balance, End of Year	$ 98,815	$21,264	$15,472	$ -	$11,125	$ 146,676	$ 130,725

(The accompanying notes are an integral part of these financial statements.)

PRINCE EDWARD ISLAND MUSEUM AND HERITAGE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2002

1. Purpose of the Organization

The Prince Edward Island Museum and Heritage Foundation is a registered charitable corporation whose purpose is to study, collect, preserve, interpret and protect the human and natural heritage of Prince Edward Island for the use, benefit and enjoyment of the people of the Province.

2. Significant Accounting Policies

a) Fund Accounting

The Operating Fund accounts for the Foundation's program delivery and administrative activities. This fund reports unrestricted resources and restricted operating grants.

The Endowment Trust Fund was established to support and enhance the effort in the preservation and development of the Province's historic resources. The Endowment Fund reports resources contributed for endowment and the income earned on its investments. Expenditures from income of the Endowment Trust Fund are subject to approval of the Fund's trustees. Expenditures of the Fund's capital may be made with the approval of the Lieutenant Governor-in-Council.

The Publishing Trust Fund was established to finance publishing projects through loans to the Operating Fund. Money from the fund may be loaned to finance projects recommended by the Board's Publishing Committee and approved by the Board of Directors. Loans bear interest at the prevailing prime rate.

The Orwell Trust Fund was established to assure the recognition of the efforts of Orwell Corner Historical Site in becoming a financially viable operation. The Fund's resources are used to make improvements and enhancements to the historical site.

The Robert and Mildred Jaynes Trust was established to support the acquisition of property for the purpose of imposing restrictive covenants protecting historical, architectural, natural or cultural importance. Properties once protected will be offered for sale and proceeds returned to the Trust. Control of expenditures is governed by a Board of Trustees.

b) Amortization is calculated on the straight-line basis at the following rates:

Buildings	4%
Equipment	20%
Inventory	20%

Fully amortized equipment will be carried on the balance sheet at a nominal value of $1.

c) The capitalization policy is to capitalize all additions greater than $5000.

d) Property acquired as a result of a bequest of the late Julian Jaynes has not been capitalized as it is not used in ongoing operations.

e) Artifacts are recorded on the balance sheet at a nominal value of $1. Due to the nature of these items the historical and intrinsic value is not readily measurable.

f) Inventory has been valued at the lower of cost and net realizable value. Books published by the Foundation are amortized by the straight-line method to determine net realizable value.

g) The value of donated materials and services is not reflected in the financial statements.

h) Investments are valued using the cost method. Interest revenue is recognized on strip bonds based on stated yield rates at purchase and cost is adjusted as income is recognized. For other investments interest revenue is recognized on an accrual basis and recorded cost represents the initial acquisition cost.

3. Orwell Corner Project

The Prince Edward Island Museum and Heritage Foundation intends to construct a new facility of 6,000 sq. ft. to house the Prince Edward Island Agricultural HeritageMuseum and a second facility of 25,000 sq. ft. for a Collection and Conservation Centre at the Orwell Corner Historic Village.

The total cost of the project is initially estimated at $3.8 million. During the year, the Province of Prince Edward Island purchased a property appraised at $140,000 for the project. Title of the property remains with the Province.

4. Externally Restricted Funds

(a) Robert and Mildred Jaynes Trust Fund

As a result of a bequest of the late Julian Jaynes the Foundation acquired land and building situated in Stratford and the Robert and Mildred Jaynes Trust Fund of $100,000 was established. The land and building have been leased in exchange for maintenance and insurance coverages on the property.

The Robert and Mildred Jaynes Trust Fund is administered by three trustees:

- The Minister of the Government of Prince Edward Island responsible for the Museum Act
- The Chairman of the Board of Governors of the Museum
- Mrs. Robert (Mildred) Jaynes, the Settler, and after her;
- The serving PEI Governor of the Heritage Canada Foundation

The trustees may use the principle and income of the fund to support Museum activity of acquiring property for the purpose of imposing restrictive covenants and offering protected properties for sale with proceeds being returned to the Trust. The trustees may also make loans to the Board of Governors of the PEI Museum and Heritage Foundation on such terms and conditions as the Trustees determine.

(b) Endowment Trust Fund

The Endowment Trust Fund is administered by three trustees:
- The Provincial Treasurer of PEI
- The Chief Justice of the Supreme Court of PEI
- The Chairman of the Board of Directors of the PEI Museum and Heritage Foundation.

Normally only the income from investments is expended. Expenditures are to be used on specific projects which are within the aims and objectives of the Foundation.

5. Inventory

	2002	2001
Publishing Inventory		
Original cost	$ 223,910	$215,267
Accumulated amortization	(152,739)	(146,465)
Inventory value	71,171	68,802
Giftshop/Book Inventory - at cost	22,530	21,218
	$ 93,701	$ 90,020

6. Provincial Grants

The Provincial Grants amount of $769,230 includes an operating grant of $736,900, and French Services Claim revenue of $32,330.

7. Land, Buildings and Equipment

The recorded values of land and buildings represent those purchased and donated. Those purchased are recorded at cost and those donated are recorded at appraised value at the time of donation.

	2002			2001
	Recorded Value	Accumulated Amortization	Net Book Value	Net Book Value
Land				
Beaconsfield	$ 9,108	$ -	$ 9,108	$ 9,108
Warehouse	12,500	-	12,500	12,500
	21,608	-	21,608	21,608
Buildings				
Beaconsfield	104,216	104,216	-	-
Warehouse	234,343	201,231	33,112	42,486
Elmira Station	15,433	15,433	-	-
	353,992	320,880	33,112	42,486
Equipment	1	-	1	1
	$375,601	$320,880	$54,721	$64,095

8. Wages and Employee Benefits

The employees of the Foundation are entitled to pension and severance and retirement benefits under the terms of their employment. The employer's cost of the benefits plus any additional future actuarial liabilities are assumed by the Province of PEI and are not reflected in the Foundation's financial statements.

During 2001-2002, the Foundation had funding for 315 weeks of employment at various historical sites from the Employment Development Agency. The employees are hired and wages are paid by the Prince Edward Island Employment Development Agency. The total wages and benefits paid to these employees during 2001-2002 was $79,867 and are not reflected in the financial statements of the Foundation.

9. Amounts Due Between Funds

At March 31, 2002, the following amounts were due (to) from the Operating Fund:

Endowment Trust Fund

Annual appropriation of interest income	$(22,250)
Donations to Endowment Fund deposited to an Operating account	196
	(22,054)

9. Amounts Due Between Funds (continued...)

Orwell Trust Fund	
Donations to Endowment Fund deposited to an Operating account	255
Publishing Trust Fund	
Loan to Operating Fund plus accrued interest of 5%	19,928
	$ 1,871

10. Investments

	2002 Net Book Value	2002 Market Value	2001 Net Book Value
Operating Fund			
Souris Credit Union Shares	$ 12	$ 12	$ 12
Evangeline Credit Union Shares	-	-	5
	12	12	17
Orwell Trust Fund			
Province of PEI Deposit Receipts	-	-	5,453
Royal Bank GIC, 4.45% maturing June 11, 2001	-	-	10,479
Royal Bank GIC, 3.5% maturing June 11, 2002	10,713	10,713	-
CPN Province of Quebec, 2.4% maturing September 19, 2002	6,497	6,330	-
	17,210	17,043	15,932
Publishing Trust Fund			
Government of Canada Coupon, yield 5.84% maturing March 15, 2002	-	-	5,014
Robert & Mildred Jaynes Trust			
Bonds:			
Province of Alberta Euro Bonds, yield 5.84% maturing November 29, 2002	22,008	22,396	20,794
Province of British Columbia Bond, yield 6.00% maturing June 21, 2004	22,064	22,686	20,814
Province of British Columbia Bond, yield 5.99% maturing July 9, 2006	22,060	22,313	20,814
Province of Saskatchewan Bond, yield 6.08% maturing October 10, 2008	22,093	21,855	20,826
	88,225	89,250	83,248

10. Investments (continued...)

	2002		2001
	Net Book Value	Market Value	Net Book Value
Endowment Trust Fund			
Bonds:			
Province of Ontario Bond, 7.75%, maturing Dec. 18, 2003	38,360	43,207	38,360
Province of Ontario Coupon, 9%, maturing Sept. 15, 2004	39,355	44,029	39,355
General Motors Acceptance Corporation 5.5% Medium Term Note due June 20, 2005	40,071	39,703	40,094
Strip Bonds:			
Province of PEI Coupon, yield 8.56%, maturing Sept. 19, 2002	42,348	43,450	39,009
Government of Canada Bond, yield 7.91%, maturing Dec. 1, 2003	38,751	41,083	35,910
Province of Nova Scotia Coupon, yield 7.08%, maturing Dec. 1, 2005	45,932	47,934	42,895
Sentinel Canada Prin. Ser.1, yield 5.87%, maturing Oct. 1, 2006	21,494	21,570	20,302
Province of Ontario Coupon, yield 5.06%, maturing Dec. 2, 2007	23,574	22,423	22,439
Province of Ontario Coupon, yield 5.17%, maturing Dec 2, 2008	21,852	20,545	20,778
Province of Saskatchewan, yield 6.3%, maturing Jan. 18, 2010	15,373	14,969	14,462
Equity Investments:			
2175 Units Sovereign Cdn Equity Pool	40,826	37,149	40,011
1720 Units Sovereign US Equity Pool	30,640	27,506	30,008
1240 Units Sovereign Overseas Equity Pool	20,411	17,155	20,005
	418,987	420,723	403,628
	$524,434	$527,028	$507,839

11. Federal Government Revenue and Expenditures

	2002		2001	
	Revenue	Expenditures	Revenue	Expenditures
Projects				
Heritage Canada Foundation - Young Canada	$ 2,871	$ 3,956	$ 2,859	$ 3,849
Millennial Project - Beaconsfield	31,153	-	28,841	-
Canada/PEI Cooperation Agreement Museum Project Development	-	-	10,000	26,483
Basin Head Marine Protected Area Project	12,379	12,378	-	-
Canadian Museums Association Young Canada	19,439	25,891	14,106	17,783
Museum Assistance Program Marketing Initiatives	30,000	31,386	-	-
Human Resources Development Canada SCP Program	1,921	1,921	5,236	5,239
Canada/PEI Agreement on Regional Economic Development	9,082	14,700	2,168	2,168
Canadian Heritage Museum Assistance	12,804	12,804	58,115	58,115
	119,649	$103,036	121,325	$113,637
General Grant				
Canadian Heritage Canada Committee	225		200	
	$119,874		$121,525	

Revenue received during a year but not expended is reflected as deferred revenue.

Millennial Project expenditures of $19,751 in 2002 and $89,044 in 2001 are included in the repairs and maintenance, salary, travel, utility and office expenses on Statement 2.